

Minutes of the Audit Committee Meeting held on 28 September 2016 at 10:00 am in the Rose Room, Endeavour House, Ipswich.

Present: Councillors Michael Bond (Chairman), David Busby, Peter Byatt, Michael Gower, Bert Poole and Chris Punt.

Supporting officers present: Louise Aynsley, Chief Accountant (Strategy and Accounts)
Geoff Dobson, Director of Resource Management
Holly Field, Senior Finance Specialist (for Minute Nos 11 to 15)
Peter Frost, Head of Audit Services
Pauline Martin, Customer Care Manager (for Minute Nos 11 to 16)
Tina Meyer, Ernst & Young (for Minute Nos 11 to 15)
Linda Pattle, Democratic Services Officer
Tim Ryder, Monitoring Officer

11. Public Participation Session

There were no requests to speak in the public participation session.

12. Apologies for Absence and Substitutions

Apologies for absence were received from Councillor Jenny Antill and from Councillor Len Jacklin (substituted by Councillor Peter Byatt).

13. Declarations of Interest and Dispensations

There were no declarations of interest or dispensations.

14. Minutes of the Previous Meeting

The minutes of the meeting held on 13 July 2016 were confirmed as a correct record and signed by the Chairman.

15. 2015/2016 Statement of Accounts

2015/2016 Audit Results Report - ISA260 Suffolk County Council

2015/2016 Audit Results Report - ISA260 Suffolk Pension Fund

The Committee received the following documents at Agenda Item 5:

2015/2016 Statement of Accounts Covering Report

Suffolk County Council Audit Committee Summary for the year ended 31 March 2016 – Audit Results Report – ISA (UK and Ireland) 260 (Appendix A)

Suffolk Pension Fund Pensions Committee and Audit Committee Summary for the year ended 31 March 2016 – Audit Results Report - ISA (UK and Ireland) 260 (Appendix B)

The Unaudited Statement of Accounts 2015/16 had been circulated to the Committee as a separate document.

Tina Meyer, of Ernst & Young, presented the reports at Appendix A and B. She presented apologies for absence from Mark Hodgson, Ernst & Young's Audit Director for the County Council.

The following were among the points noted:

- a) On behalf of Mr Hodgson, Ms Meyer thanked County Council officers for their co-operation and assistance in producing a very good set of accounts and working papers. In Mr Hodgson's view this was one of the easiest and best county council audit reports he had written.
- b) The external auditor's work on the Council's financial statements was complete and he would issue an unqualified audit opinion and value for money opinion by 30 September 2016.
- c) The Committee noted that at its meeting on 22 September 2016 the Pension Fund Committee had received the audit results report at Agenda Item 5, Appendix B.
- d) Ms Meyer would be going on a two-year secondment within Ernst & Young, and in future her role in relation to the County Council would be fulfilled by Mr David Riglar.

Decision: The Committee agreed:

- (i) To approve the Council's Audit Results Report for the year ended 31 March 2016 – ISA (UK and Ireland) 260 (Appendix A to the report at Agenda Item 5).
- (ii) To approve the Suffolk Pension Fund's Audit Results Report for the year ended 31 March 2016 – Audit Results Report - ISA (UK and Ireland) 260 (Appendix B to the report at Agenda Item 5).
- (iii) To authorise the Director of Resource Management (Section 151 Officer) to re-certify the Statement of Accounts for 2015/16.
- (iv) To approve the Statement of Accounts for 2015/16.
- (v) To authorise the Chairman to sign and date the approved Statement of Accounts for 2015/16.

The Chairman countersigned the letters of representation to Ernst & Young LLP, confirming the responsibilities and actions taken in completing the Statement of Accounts.

Reason for Decision:

The Committee was satisfied that the Statement of Accounts gave a true and fair view of the Council's financial position at 31 March 2016.

Alternative options: None considered.

Declarations of interest: None declared.

Dispensations: None noted.

16. Compliments, Comments and Complaints Annual Report 2015 - 2016

Pauline Martin introduced a report at Agenda Item 6, providing a summary of compliments, comments and complaints received from 1 April 2015 to 31 March 2016, and incorporating the annual letter from the Local Government Ombudsman.

Decision: The Committee:

- (i) Agreed the contents of the report at Agenda Item 6.
- (ii) Agreed to suggest to the Chairman of the Scrutiny Committee that the Committee should seek further information about performance management of the Highways contract.
- (iii) Agreed that the Monitoring Officer should consider whether there was another committee which might more appropriately be given responsibility for receiving the annual report on compliments, comments and complaints.

Reason for Decision:

The Committee was satisfied with the Council's procedures for handling complaints. The Committee heard that in each directorate there were arrangements for receiving detailed reports about customer feedback. In response to reports from the Customer Rights team, actions were agreed and the outcomes were included in the subsequent annual report on compliments, comments and complaints.

The report indicated that in all areas of its work, the Council had received more feedback in 2015/16 than in previous years. It was suggested that the reasons for this increase included: reduced funding of public services; and the fact that a new online form for customer feedback had been implemented in July 2015, offering people more flexibility in the way they gave feedback to the Council. Members heard that Suffolk remained comparable with neighbouring counties regarding the number of complaints and enquiries received in relation to population.

The Committee was aware that in 2015/16 there had been a significant increase in the number of complaints about education transport, mostly about the impact of the implementation of changes to the post 16 transport policy which had been approved by the Cabinet in June 2014. Members heard that in many cases complainants felt that the policy was unclear and that they should have been

informed earlier about how the changes would affect them. In response to this, the policy had been clarified and County Council officers were making every effort to ensure that people were informed about the criteria for eligibility.

Members expressed their concern about the fact that there had been a 51% increase in the number of complaints relating to highways. The Director of Resource Management explained that in response the Highways Transformation Programme had been put into place. It was anticipated that the establishment of integrated teams made up of County Council staff and Kier representatives would result in faster decision-making and shorter timeframes for completing works. The Director confirmed that the Council was working with Kier to respond to complaints about the attitude and conduct of staff.

The Committee was aware that councillors dealt with many complaints which were not recorded by the Customer Rights team, and it was suggested that it would be useful for them to receive information about public access data.

At its meeting on 3 November 2016 the Scrutiny Committee would be considering a progress update on the Highways contract, and the Audit Committee members wished to highlight to that Committee the need for councillors to be informed about performance management within their divisions.

The Committee was aware that currently its terms of reference gave it responsibility for overview of the comments, compliments and complaints process. However, it was suggested that it might be more appropriate for this role to be undertaken by another committee, possibly the Scrutiny Committee.

Alternative options: None considered.

Declarations of interest: None declared.

Dispensations: None noted.

17. Information Bulletin

The Committee received an Information Bulletin at Agenda Item 8.

18. Forward Work Programme

The Committee considered its Forward Work Programme at Agenda Item 9.

Members heard from the Chairman that information in the Statement of Accounts concerning end of employment payments made in 2015/16 had led some councillors to question the appropriateness of these payments and the confidentiality clauses contained in any agreements. The Committee therefore agreed that at its meeting on 29 November 2016 it would receive a report from the Head of Human Resources setting out the case for and against such agreements.

Members heard that HM Treasury had recently published its response to a consultation on reforms to public sector exit payments. It was agreed that this would be circulated to members after the meeting.

The Committee approved the Forward Work Programme at Agenda Item 9, subject to the above addition and to the correction of a typographical error – the Annual Report of the Audit Committee would be considered on 30 January 2017 not 29 November 2016 as stated in the programme.

19. Urgent Business

There was no urgent business.

The meeting closed at 11:10 am.

Chairman

